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DIRECTORATE OF  
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# *Central Intelligence Bulletin*

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**[Czechoslovakia-USSR:** Moscow and Prague are sparring over the time and place for a high-level meeting.

The politburo of the Soviet party yesterday proposed to the presidium of the Czechoslovak party that the full memberships of the two bodies meet in the Soviet Union on 22 or 23 July. The Soviet invitation said that if the Czechoslovaks could not send the entire presidium they should at least provide broad representation. Moscow's aim evidently is to ensure that the more orthodox elements of the Czechoslovak presidium are included in the talks, as well as the reformers.

The Soviet Government newspaper Izvestia yesterday echoed an earlier Pravda editorial in attacking the Dubcek regime's policies. President Podgorny added his voice to those of other Soviet leaders who seem to have been appealing to conservative Czechoslovak leaders to take a hand in the situation.

The Czechoslovaks have not yet replied to the Soviet invitation to a meeting, but they had earlier told the Soviets they were reluctant to leave the country at this juncture. Dubcek probably will refuse to send the entire presidium to the USSR, but will find it difficult to reject out of hand the Soviet proposal that the Czechs send a smaller delegation. Instead, he may counter with a proposal that Soviet leaders come to Czechoslovakia. Party presidium member Smrkovsky has said that the meeting would take place today or tomorrow.

Dubcek's control of the situation in Czechoslovakia appears to be very strong. Yesterday, the party central committee endorsed by acclamation the presidium's unyielding reply of 18 July to the Warsaw conferees. Nineteen central committee members did not attend the meeting. All but one of the absentees presumably were conservatives who refused ]

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[to associate themselves with the proceedings. The Czechoslovak public, as well as government and party organizations, continues to send pledges of support to the party leadership.

Dubcek's speech before the central committee was much like his nationwide broadcast of 18 July. He again said the party is "resolved" not to depart from the path it charted in January. He asserted that if the party were to reverse its course, socialism in Czechoslovakia and the "international Communist movement" would be "discredited." As he had on earlier occasions, Dubcek called on the Czech press and TV to exercise voluntary self-restraint, but offered no essential concessions in the face of Soviet demands for a severe crackdown.

The French Communist leader Waldeck-Rochet and Czechoslovak representatives met yesterday in Prague, and the Czechoslovak News Agency reported that talks with other Communist representatives will take place today.

The list of Western European parties endorsing the French proposal for a conference of all European parties is growing. Yugoslavia and Rumania continue to give unqualified support to the Dubcek leadership.

Soviet Marshal Yakubovsky left Czechoslovakia last night.

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Vietnam:

South Vietnam: Scattered light clashes and occasional mortar attacks occurred in the northern provinces and around Saigon on 18-19 July, but the month-long lull in Communist-initiated military operations continues.

North Vietnam: Hanoi has redefined its position on a political settlement in terms which seem designed to meet earlier US objections.

A North Vietnamese Foreign Ministry memorandum issued on 17 July suggests a change in the regime's earlier insistence that a settlement must be "in accordance with the program of the National Liberation Front." This position was deliberately blurred, as it has been in some other recent North Vietnamese pronouncements. The memorandum, however, is intended to be an authoritative document on regime policy, and its significance is not diminished by other recent statements using the earlier formula, or by Xuan Thuy's protestations in Paris on 19 July that "there was no omission" from the document.

Hanoi apparently believes that this is a good time to de-emphasize the role the Front is expected to have in a political settlement. The Communists have been moving in this direction for several months. At the same time they have tried to develop their new peace Alliance as a kind of "third force" to serve as a bridge between Communist and non-Communist elements in South Vietnam.

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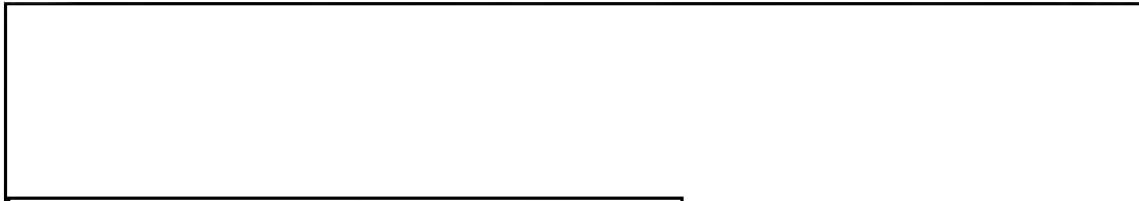
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Bulgaria: Fear of a violent disruption at the forthcoming World Youth Festival is mounting among the Bulgarian hosts.



The Italian delegation is insisting on full and open discussion on youth problems and has resisted Soviet and Bulgarian pressure to drop the subject.

Israeli socialist youth groups barred from the festival are trying to persuade the British, Scandinavian, and US delegations to bring the Arab-Israeli dispute to the floor. This would provoke a row and probably a walkout by the Arabs. Finally, although the Cuban Youth Organization has told Sofia it will not attend, the Bulgarians fear some other pro-Castro Latin Americans will push the Cuban position on all issues.

Support for North Vietnam, the main theme of the festival, is generally considered the one unifying factor among all delegations. Now, however, the Bulgarians fear that a heavy emphasis on this theme may encourage demonstrations against Western diplomatic missions in Sofia.

The discord among the delegations raises questions about the ability of festival officials to keep the meetings under control. With tensions high all over Eastern Europe as a result of the Czechoslovak situation, the organizers may decide to call the whole thing off. With many delegations already en route, however, this course would present difficulties, not to mention the acute embarrassment it would cause in much of the Communist world.

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Iraq: A new 26-man Iraqi cabinet has been announced, with Abd al-Razzaq al-Nayif as prime minister.

Al-Nayif, formerly the deputy director of military intelligence, was once close to President Arif but apparently used his influence over the Republican Guard to play a major role in the coup. He is not a Baathist but is reportedly anti-Nasir. Such key positions as foreign affairs, defense, and finance are held by non-Baathists, and there seems to have been a deliberate effort to give the cabinet an apolitical cast.

Military men dominate the regime, however, and the President and interior minister are Baathists. There are a number of holdovers from the ousted government, along with a sprinkling of technicians and unknowns. The inclusion of four Kurds may indicate that the regime intends to deal with the Kurdish question by peaceful means.

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Brazil: Labor troubles in Sao Paulo are worrying security forces and adding to the government's concern over student agitation.

Authorities have ejected wildcat strikers from metal plants in Sao Paulo, but new strikes are likely. The workers are demanding higher pay and collective contracts, as well as basic health, safety, and wage protections required by Brazilian law but rarely provided. The government discounts the validity of these grievances and claims that subversive elements are promoting the strikes.

Leftists are exploiting worker alienation, and there are some indications that radical student leaders are involved. The strikes apparently have been arranged without the knowledge of union leaders, who are often regarded as government stooges. The degree of organization, however, indicates a movement from within the plants by "unseen unions" which have an effective chain of command and control of the workers.

Sao Paulo security forces are already jumpy because of a wave of terrorist bombings. Provocative actions by either workers or students would probably be repressed vigorously.

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Guatemala: A new round of terrorism may have begun in Guatemala City.

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[REDACTED] a small bomb exploded at the ambassador's residence on 7 July, the evening before President Johnson's visit to the airport.

On 18 July several bombs were set off simultaneously at the national palace, police headquarters, and the Brazilian Embassy. [REDACTED]

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Further terrorism could provoke the government to reinstitute the state of siege that lapsed last month. [REDACTED]

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[Bolivia: President Barrientos will make some changes in his cabinet as a result of the high-level accusations that Minister of Government Arguedas passed "Che" Guevara's diary to the Cubans.

Barrientos has told the US Embassy that he is convinced that Arguedas, who has fled to Chile, is a traitor and a Communist. Barrientos says that he plans to bring additional military officers into his cabinet to firm up his support.

The public scandal over the handling of "Che's" diary has increased the pressure on both the government and the military to find a scapegoat. Arguedas had been linked with the Communists in the past, but appeared to have cleared his name. In April 1967, he was responsible for banning the Communist Party because of its statements in support of the guerrilla movement.

It remains to be seen whether Barrientos' moves will disarm the government's critics; the public may see them merely as face-saving maneuvers by the government and the military.

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Syria: Syrian opposition groups exiled in Lebanon are banding together in the wake of the successful Baathist coup in Iraq this week. So-called "moderate" Baathists who controlled Syria from 1963 until 1966 have announced that they are now allied with other activists trying to unseat the radical Baathist regime in Damascus. The plotters probably have few supporters in key positions within Syria, but hostility toward the present narrow-based government is widespread. [REDACTED]

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Botswana-Rhodesia: Botswana reportedly has decided to impose economic sanctions against Rhodesia beginning in September and will so inform the UN secretary general by 1 August. The move will add little to the over-all UN embargo because Botswana's trade with Rhodesia is small. Exports to Rhodesia in 1965 amounted to less than \$200,000, and direct imports totaled less than \$4.5 million. The most troublesome action Botswana could take would be to stop traffic over the main rail line connecting Rhodesia and South Africa. President Khama has decided against this, however, because of the adverse effect it would have on Botswana's own economy. [REDACTED]

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